

## Message Text

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ACTION EA-12

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-08  
FRB-01 INR-10 NSAE-00 USIA-15 XMB-04 OPIC-06  
SP-02 LAB-04 SIL-01 OMB-01 DODE-00 PM-05 H-02  
L-03 NSC-05 PA-02 SS-15 STR-07 STRE-00 /121 W  
-----057103 311209Z /16

P 311131Z MAR 78  
FM AMEMBASSY TOKYO  
TO SECSTATE WASHDC PRIORITY 6660  
TREASURY/DEP WASHDC PRIORITY  
INFO AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
AMEMBASSY LONDON  
AMEMBASSY PARIS  
AMEMBASSY ROME

UNCLAS TOKYO 05368

PASS STR ELECTRONICALLY

E.O. 11652: N/A/  
TAGS: EFIN, JA  
SUBJECT: CONSULTATIONS ON INTERNATIONAL MONETARY MATTERS

1. FOLLOWING ARE PRESS ACCOUNTS OF LATEST JAPANESE  
CONSULTATIONS ON INTERNATIONAL MONETARY MATTERS:

2. "(NIHON KEIZAI, MARCH 30, 1978)-- PRIME MINISTER  
FUKUDA CALLED FINANCE VICE MINISTER FOR INTERNATIONAL  
MONETARY AFFAIRS MATSUKAWA TO HIS PRIVATE RESIDENCE AT  
NOZAWA, TOKYO ON THE NIGHT OF THE 29TH. FOR ABOUT 45  
MINUTES, FUKUDA LISTENED TO MATSUKAWA'S VIEWS ON SUCH  
PROBLEMS AS FUTURE PROSPECTS FOR THE YEN RATE, WHICH HAS  
SHARPLY RISEN ON THE TOKYO FOREX MARKET, AND THE WAY OF A  
NEW CURRENCY SYSTEM FOR COPING WITH THE INTERNATIONAL CUR-  
RENCY UNEASINESS. THIS MEANS THAT WITH APPROACH OF THE  
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U.S.-JAPAN SUMMIT TALKS, SLATED FOR EARLY MAY, THE PRIMIN  
SOUGHT THE VIEWS OF THE CURRENCY OFFICIAL CONCERNED, IN  
ORDER TO FORMULATE THE JAPANESE SIDE'S POLICY. MATSUKAWA,  
WHO HELD A PRESS CONFERENCE AT THE FINANCE MINISTRY,  
AFTER THE CONSULTATIONS, STATED AS FOLLOWS, IN CONNECTION  
WITH THE HIGH-YEN, LOW-DOLLAR TREND: 'I EXPLAINED TO THE  
PRIMIN MY FEELING THAT THERE IS A LIMIT TO TAKING SUCH

TECHNICAL MEASURES (AS FOR THE STRENGTHENING OF FOREX CONTROLS). SO SAYING, HE IMPLIED THAT HE PROPOSED TO THE PRIMIN TO HASTEN THE HANDLING OF SUCH PROBLEMS AS THE REDUCTION OF THE SURPLUS BALANCE IN THE CURRENT ACCOUNT OF OUR COUNTRY, WHICH PROBLEMS LIE BEHIND THE HIGH-YEN TREND. ON THE 22ND, TOO, PRIMIN FUKUDA CALLED JAPAN EXPORT-IMPORT BANK PRESIDENT SUMITA AND OTHER FORMER FINANCE MINISTRY OFFICIALS, AND LISTENED TO THEIR VIEWS ON SUCH PROBLEMS AS MEASURES FOR COPING WITH THE HIGH-YEN TREND."

3. "NIHON KEIZAI, MARCH 31 -- PRIMIN FUKUDA CALLED MINISTER FOR EXTERNAL ECONOMIC AFFAIRS USHIBA TO THE PRIME MINISTER'S OFFICIAL RESIDENCE AT 4:00 P.M. ON THE 30TH, AND HELD TALKS WITH HIM FOR ABOUT 30 MINUTES. ON THAT OCCASION, PRIMIN FUKUDA DIRECTED MINISTER FOR EXTERNAL ECONOMIC AFFAIRS USHIBA TO EXPLAIN FULLY THE PRESENT SITUATION OF THE JAPANESE ECONOMY AND ALSO ASK THE U.S. FOR THE 'DEFENSE OF THE DOLLAR,' WHEN THE SAID MINISTER MEETS U.S. PRESIDENTIAL SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS STRAUSS FOR THE TOKYO ROUND (MULTILATERAL TRADE NEGOTIATIONS) IN GENEVA ON APRIL 10. ON THE OTHER HAND, MINISTER USHIBA ADVISED THE PRIMIN THAT IT IS NECESSARY FOR OUR COUNTRY TO CHECK INTO THE FOLLOWING MATTERS TO PROMOTE THE TOKYO ROUND: (1) ADDITION OF ITEMS ON WHICH TARIFF RATES ARE TO BE REDUCED (ADDITIONAL OFFICER); AND (2) CARRYING OUT OF AN UNCLASSIFIED

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ADVANCE TARIFF REDUCTION. MINISTER USHIBA IS SCHEDULED TO HOLD A TRIPARTITE CONFERENCE WITH SR STRAUSS AND EC COMMISSION VICE CHAIRMAN HAFERKAMP IN GENEVA ON APRIL 10 TO DISCUSS THE PROBLEM OF PROMOTING THE TOKYO ROUND. PRIMIN FUKUDA GAVE THE FOLLOWING INSTRUCTION: 'IT IS NECESSARY TO MAKE RELATIONS AMONG THE THREE PARTIES -- JAPAN, THE U.S. AND THE EC -- CLOSER. I WANT YOU TO EXPLAIN FULLY THE SITUATION OF THE JAPANESE ECONOMY TO SP STRAUSS AND MR. HAFERKAMP. THE PRIMIN DIRECTED HIM TO REQUEST ESPECIALLY AMB STRAUSS STRONGLY THAT THE U.S. TACKLE THE DEFENSE OF THE DOLLAR IN EARNEST.'" MANSFIELD

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NEGOTIATIONS, FINANCIAL TRENDS, FOREIGN EXCHANGE RATES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Office:** ACTION EA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
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**Status:** NATIVE  
**Subject:** CONSULTATIONS ON INTERNATIONAL MONETARY MATTERS  
**TAGS:** EFIN, JA  
**To:** STATE TRSY  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
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